



GOVERNMENT OF KERALA

Abstract

Industries Department-Public Sector Restructuring and Internal Audit Board (RIAB) -Working capital support for holding on operations through re-appropriation from lump sum head-Release of fund of Rs.100 Lakhs to HDCK as financial support towards working capital-Orders issued.

INDUSTRIES (K) DEPARTMENT

സ.ഉ.(സാധാ) നം.845/2021/വ്യവ. Dated,Thiruvananthapuram, 11/08/2021

Read 1 G.O(Rt)No.652/2021/ID dated 27.06.2021

2 Letter No:HDCK/P&A/2021-22/403 dated 09.07.2021

ORDER

As per Government Order read as 1st paper above, Administrative Sanction for an amount of Rs. 30 Crores (Rupees Thirty Crores Only) has been issued by allocating the said amount to 26 PSUs as Working Capital Support for holding on operations, through re-appropriation from the lump sum head of PSUs 4885-60-800- 96(P) to the respective head of account of the PSUs.Accordingly, an amount of Rs.1.5 Crore has been re-appropriated to HDCK (Handicrafts Development Corporation of Kerala Ltd) under the H/A 6851-00-190-98. Vide letter read as 2nd paper above, MD,HDCK has requested to release Rs.1.5 Crore based on Administrative Sanction issued vide Government Order read above.

Government,after having examined the matter in detail , are pleased to release an amount of Rs.100 lakhs (Rupees One Hundred

Lakhs Only) to HDCK (Handicrafts Development Corporation of Kerala Ltd) as financial support towards working capital under the h/a "6851-00-190-98(P) subject to the following terms and conditions of fund release.

- 1) The amount shall be transfer credited to PSTSB A/c in compliance of GO(P)No.62/2018/Fin dtd.16.04.2018, GO(P)No.88/2018/Fin dtd.11.06.2018,GO(P)No.100/2018/Fin dtd.03.07.2018 and Circular No.53/2018/Fin dated,16.06.2018.
- 2) The procedures prescribed in Circular No.84/08/Fin dated, 09-12-2008 and Circular No.75/09/Fin dated, 29/08/2009 should be scrupulously followed.
- 3) Financial principles & Rules relating to drawal & utilisation of funds should be observed scrupulously.
- 4) The Operational guidelines regarding the utilization and monitoring of plan funds issued vide G O (P) No.88/2018/Fin dated, 11.06.2018 and G O (P) No.100/2018/Fin dated, 03.07.2018 should be scrupulously followed.
- 5) The loan should be treated as 'Working Capital Loan'.
- 6) The period of loan shall be 5 years.
- 7) Repayment of loan shall commence on the first anniversary of the drawal of loan.

8) Rate of interest shall be 9.5% per annum as per G.O (P)No.169/2018-Fin. dtd.16.05.2018.

9) Loan shall be repaid in equal quarterly instalment along with interest and the Director of Industries and Commerce shall monitor the same.

10) In case of default, penal interest @ 2.50% per annum shall be charged in addition to the normal rate of interest.

11) The amount shall be shown as loan from Government in the accounts of the Corporation.

12) Since the interest rate prescribed assumes timely repayment of principal and payment of interest, no further rebate in rates will be allowed under any circumstances.

13) The Drawing & Disbursing Officer should ensure that unspent balances of previous release, if any, will be adjusted against the instant release of funds.

14) The Director of Industries and Commerce may also to ensure that all the formalities/procedures prescribed in Circular No.40/13/Fin.dated, 27/04/2013 should be followed scrupulously.

15) The Director of Industries and Commerce shall evolve a proper mechanism for ensuring the prompt repayment of the loan along with

interest as per the terms and conditions, within the stipulated period.

16) The Director of Industries and Commerce should strictly furnish the UC Component wise expenditure for the fund release in the prescribed proforma as appended with GO(MS)No. 4/2020 dated 09/01/2020

The Director/Additional Director of Industries and Commerce will draw and disburse the amount as mentioned above.

(By order of the Governor)

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ജോയിന്റ് സെക്രട്ടറി

To:

The Director, Industries & Commerce, Thiruvananthapuram

The Managing Director, HDCK, Thiruvananthapuram

The Principal Accountant General, Thiruvananthapuram

Accountant General (Audit-I), Thiruvananthapuram

Accountant General (Audit-II), Thiruvananthapuram

District Treasury Officer, Thiruvananthapuram

Finance (PUD) Department (Vide F.No: PU-D3/73/2019-FIN)

Finance (GIMC) Department.

✓ Director, I & PRD.

Stock File/Office Copy.

Forwarded/By order
Signed by NOLSHAD M

Date: 12-08-2021 10:03:50

Reason: Approved

Section Officer